

First Regular Session 115th General Assembly (2007)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2006 Regular Session of the General Assembly.

## SENATE ENROLLED ACT No. 504

AN ACT to amend the Indiana Code concerning human services.

*Be it enacted by the General Assembly of the State of Indiana:*

SECTION 1. IC 3-7-15-2, AS AMENDED BY P.L.145-2006, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 2. The general assembly finds that the following offices in Indiana provide public assistance within the scope of NVRA:

(1) Each county office of family and children established under IC 12-19-1 that administers:

(A) the ~~Aid to Families with Dependent Children program (AFDC)~~ **Temporary Assistance for Needy Families program (TANF)** under IC 12-14; or

(B) the Medicaid program under IC 12-15.

(2) Each office of the division of family resources that administers the food stamp program under federal law.

(3) Each office of the state department of health that administers the Special Supplemental Nutrition Program for the Women, Infants and Children Program (WIC) under IC 16-35-1.5.

SECTION 2. IC 8-23-17-8, AS AMENDED BY P.L.145-2006, SECTION 21, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 8. As used in this chapter, "gross monthly income" means the average of such income during the twelve (12) month period immediately preceding displacement and includes income from all sources whether or not such income is taxable under any state or

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federal law, and also includes any public assistance received under the following:

~~AFDC~~ TANF assistance.  
~~AFDC~~ TANF burials.  
~~AFDC~~ TANF IMPACT/J.O.B.S.  
~~AFDC-UP~~ Temporary Assistance to Other Needy Families (TAONF) assistance.  
 ARCH.  
 Blind relief.  
 Child care.  
 Child welfare adoption assistance.  
 Child welfare adoption opportunities.  
 Child welfare assistance.  
 Child welfare child care improvement.  
 Child welfare child abuse.  
 Child welfare child abuse and neglect prevention.  
 Child welfare children's victim advocacy program.  
 Child welfare foster care assistance.  
 Child welfare independent living.  
 Child welfare medical assistance to wards.  
 Child welfare program review action group (PRAG).  
 Child welfare special needs adoption.  
 Food Stamp administration.  
 Health care for indigent (HIC).  
 ICES.  
 IMPACT (food stamps).  
 Title IV-D (ICETS).  
 Title IV-D child support administration.  
 Title IV-D child support enforcement (parent locator).  
 Medicaid assistance.  
 Medical services for inmates and patients (590).  
 Room and board assistance (RBA).  
 Refugee social service.  
 Refugee resettlement.  
 Repatriated citizens.  
 SSI burials and disabled examinations.  
 Title XIX certification.  
 Any other law of this state administered by the division of family resources or the department of child services.

SECTION 3. IC 8-23-17-32, AS AMENDED BY P.L.145-2006, SECTION 22, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 32. (a) All amounts paid to displaced persons

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under this chapter are exempt from taxation under IC 6-3.

(b) A payment received under this chapter is not considered as income for the purpose of determining the eligibility or extent of eligibility of any person for public assistance under the following:

~~AFDC~~ TANF assistance.

~~AFDC~~ TANF burials.

~~AFDC~~ TANF IMPACT/J.O.B.S.

~~AFDC-UP~~ **Temporary Assistance to Other Needy Families (TAONF)** assistance.

ARCH.

Blind relief.

Child care.

Child welfare adoption assistance.

Child welfare adoption opportunities.

Child welfare assistance.

Child welfare child care improvement.

Child welfare child abuse.

Child welfare child abuse and neglect prevention.

Child welfare children's victim advocacy program.

Child welfare foster care assistance.

Child welfare independent living.

Child welfare medical assistance to wards.

Child welfare program review action group (PRAG).

Child welfare special needs adoption.

Food Stamp administration.

Health care for indigent (HIC).

ICES.

IMPACT (food stamps).

Title IV-D (ICETS).

Title IV-D child support administration.

Title IV-D child support enforcement (parent locator).

Medicaid assistance.

Medical services for inmates and patients (590).

Room and board assistance (RBA).

Refugee social service.

Refugee resettlement.

Repatriated citizens.

SSI burials and disabled examinations.

Title XIX certification.

Any other Indiana law administered by the division of family resources or the department of child services.

SECTION 4. IC 11-10-12-5 IS ADDED TO THE INDIANA CODE

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AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: **Sec. 5. (a) The department shall assist a committed offender in applying for assistance under the federal Temporary Assistance for Needy Families (TANF) program (45 CFR 260 et seq.) so that the committed offender might be eligible for assistance when the offender is subsequently:**

- (1) released on parole;**
- (2) assigned to a community transition program; or**
- (3) discharged from the department.**

**(b) The department shall provide the assistance described in subsection (a) in sufficient time to ensure that the committed offender will be able to receive assistance at the time the committed offender is:**

- (1) released on parole;**
- (2) assigned to a community transition program; or**
- (3) discharged from the department.**

SECTION 5. IC 12-8-1-12 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: **Sec. 12. (a) If:**

- (1) the sums appropriated by the general assembly in the biennial budget to the family and social services administration for the Medicaid assistance, Medicaid administration, public assistance (~~AFDC~~), (TANF), and the IMPACT (JOBS) work program are insufficient to enable the office of the secretary to meet its obligations; and**

- (2) the failure to appropriate additional funds would:**

- (A) violate a provision of federal law; or**
- (B) jeopardize the state's share of federal financial participation applicable to the state appropriations contained in the biennial budget for Medicaid assistance, Medicaid administration, public assistance (~~AFDC~~), (TANF), or the IMPACT (JOBS) program;**

**then there are appropriated further sums as may be necessary to remedy a situation described in this subsection, subject to the approval of the budget director and the unanimous recommendation of the members of the budget committee. However, before approving a further appropriation under this subsection, the budget director shall explain to the budget committee the factors indicating that a condition described in subdivision (2) would be met.**

**(b) If:**

- (1) the sums appropriated by the general assembly in the biennial budget to the family and social services administration for Medicaid assistance, Medicaid administration, public assistance**

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~~(AFDC)~~, **(TANF)**, and the IMPACT (JOBS) work program are insufficient to enable the family and social services administration to meet its obligations; and

(2) neither of the conditions in subsection (a)(2) would result from a failure to appropriate additional funds;

then there are appropriated further sums as may be necessary to remedy a situation described in this subsection, subject to the approval of the budget director and the unanimous recommendation of the members of the budget committee. However, before approving a further appropriation under this subsection, the budget director shall explain to the budget committee the factors indicating that a condition described in subdivision (2) would be met.

(c) Notwithstanding IC 12-14 and IC 12-15 (except for a clinical advisory panel established under IC 12-15), and except as provided in subsection (d), the office of the secretary may by rule adjust programs, eligibility standards, and benefit levels to limit expenditures from Medicaid assistance, Medicaid administration, public assistance ~~(AFDC)~~, **(TANF)**, and the IMPACT (JOBS) work program to levels appropriated by the general assembly in the biennial budget. However, if there are additional appropriations under ~~subsections~~ **subsection** (a) or (b), the office of the secretary may by rule adjust programs, eligibility standards, and benefit levels to limit expenditures from Medicaid assistance, Medicaid administration, public assistance ~~(AFDC)~~, **(TANF)**, and the IMPACT (JOBS) program to levels that are further appropriated under ~~subsections~~ **subsection** (a) or (b). The office of the secretary may adopt emergency rules under IC 4-22-2-37.1 to make an adjustment authorized by this subsection. However, adjustments under this subsection may not:

- (1) violate a provision of federal law; or
- (2) jeopardize the state's share of federal financial participation applicable to the state appropriations contained in the biennial budget for Medicaid assistance, Medicaid administration, public assistance ~~(AFDC)~~, **(TANF)**, and the IMPACT (JOBS) work program.

(d) Subject to IC 12-15-21-3, any adjustments made under subsection (c) must:

- (1) allow for a licensed provider under IC 12-15 to deliver services within the scope of the provider's license if the benefit is covered under IC 12-15; and
- (2) provide access to services under IC 12-15 from a provider under IC 12-15-12.

SECTION 6. IC 12-8-1-13 IS AMENDED TO READ AS

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FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 13. (a) Subject to the appropriation limits established by the state's biennial budget for the office of the secretary and its divisions, and after assistance, including assistance under ~~AFDC~~ TANF (IC 12-14), medical assistance (IC 12-15), and food stamps (7 U.S.C. 2016(i)), is distributed to persons eligible to receive assistance, the secretary may adopt rules under IC 4-22-2 to offer programs on a pilot or statewide basis to encourage recipients of assistance under IC 12-14 to become self-sufficient and discontinue dependence on public assistance programs. Programs offered under this subsection may do the following:

- (1) Develop welfare-to-work programs.
- (2) Develop home child care training programs that will enable recipients to work by providing child care for other recipients.
- (3) Provide case management and supportive services.
- (4) Develop a system to provide for public service opportunities for recipients.
- (5) Provide plans to implement the personal responsibility agreement under IC 12-14-2-21.
- (6) Develop programs to implement the school attendance requirement under IC 12-14-2-17.
- (7) Provide funds for county planning council activities under IC 12-14-22-13 **(repealed)**.
- (8) Provide that a recipient may earn up to the federal income poverty level (as defined in IC 12-15-2-1) before assistance under this title is reduced or eliminated.
- (9) Provide for child care assistance, with the recipient paying fifty percent (50%) of the local market rate as established under 45 CFR 256 for child care.
- (10) Provide for medical care assistance under IC 12-15, if the recipient's employer does not offer the recipient health care coverage.

(b) If the secretary offers a program described in subsection (a), the secretary shall annually report the results and other relevant data regarding the program to the legislative council in an electronic format under IC 5-14-6.

SECTION 7. IC 12-8-12-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 1. The purpose of this chapter is to find available employment opportunities for ~~AFDC~~ TANF recipients **and applicants** that will allow the recipients **and applicants** to gain successful experience in an environment that includes daily work.

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SECTION 8. IC 12-8-12-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 2. This chapter applies to all ~~AFDC~~ TANF recipients **and applicants**, except recipients **and applicants** exempted under rules adopted by the director under IC 4-22-2.

SECTION 9. IC 12-8-12-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 4. The director may develop programs in partnership with private employers by issuing requests for proposals to stimulate public-private partnerships to provide employment opportunities to ~~AFDC~~ TANF recipients.

SECTION 10. IC 12-8-12-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 5. The director may solicit proposals to employ ~~AFDC~~ TANF recipients through a request for proposals, that must include a statement that an employer desiring to participate in the program under section 4 of this chapter shall do the following:

- (1) Provide health care assistance to ~~an AFDC~~ a TANF recipient hired by the employer under the same standards that apply to other employees. Under this subdivision, the state shall pay only for the recipient's share of the premium associated with the health care assistance. However, the payment of this premium
  - (A) may not exceed the cost that would be paid by the state on behalf of the recipient for Medicaid. ~~and~~
  - (B) is subject to the requirements of IC ~~12-14-2-22~~.

- (2) Treat ~~an AFDC~~ a TANF recipient as the employer would treat a typical employee, including offering the same pay scales and promotion opportunities offered to a typical employee.

SECTION 11. IC 12-8-12-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 6. The director may do the following:

- (1) Establish criteria for a request for proposals to stimulate public-private partnerships to promote employment opportunities for ~~AFDC~~ TANF recipients **and applicants** under this chapter.
- (2) Establish sanctions, including the termination of ~~AFDC~~ TANF assistance, for ~~an AFDC~~ a TANF recipient **or applicant** who refuses to participate in an employment or a job training opportunity offered to ~~AFDC~~ TANF recipients **or applicants** under this chapter.
- (3) Establish a procedure to set priorities for the entry of recipients **or applicants** into job placement and training.

SECTION 12. IC 12-14-1-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 1. (a) Assistance under

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~~AFDC TANF~~ shall be given to a dependent child who otherwise qualifies for assistance if the child is living in a family home of a person who is:

- (1) at least eighteen (18) years of age; and
- (2) the child's relative, including:
  - (A) the child's mother, father, stepmother, stepfather, grandmother, or grandfather; or
  - (B) a relative not listed in clause (A) who has custody of the child. ~~under a court order.~~

(b) A parent or relative and a dependent child of the parent or relative are not eligible for ~~AFDC TANF~~ assistance when the physical custody of the dependent child was obtained for the purpose of establishing ~~AFDC TANF~~ eligibility.

(c) **Except as provided in IC 12-14-28-3.3**, a person convicted of ~~an offense a felony~~ under IC 35-43-5-7 or IC 35-48-4 is not eligible to receive assistance under ~~AFDC TANF~~ for the following periods:

- (1) ~~If the conviction is for a misdemeanor, the person is not eligible to receive assistance under AFDC for one (1) year after the conviction.~~
- (2) ~~If the conviction is for a felony, the person is not eligible to receive assistance under AFDC for ten (10) years after the conviction.~~

(d) The assistance paid to a dependent child under this section may not be affected by the conviction of a parent or an essential person of the dependent child under subsection (c).

SECTION 13. IC 12-14-1-1.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 1.5. (a) This section does not apply if the:

- (1) dependent child does not have a living parent or legal guardian;
- (2) whereabouts of the dependent child's parent or legal guardian are unknown;
- (3) dependent child is ~~at least eighteen (18) years of age; lived apart from the child's parent or legal guardian for a period of at least one (1) year before either:~~
  - (A) the birth of the dependent child's child; or**
  - (B) the dependent child's application for TANF;**
- (4) dependent child has received a high school diploma or a high school equivalency certificate ~~(as defined in IC 12-14-5-2);~~
- (5) **(4)** dependent child provides proof, and the division agrees, that the physical health or safety of the dependent child or a child of the dependent child would be jeopardized if the dependent

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child or a child of the dependent child resides with the dependent child's parent, legal guardian, or adult relative; or  
~~(6)~~ (5) dependent child is less than eighteen (18) years of age and is not married, but the dependent child or a child of the dependent child:

(A) has been alleged or adjudicated a child in need of services under IC 31-34 (or IC 31-6 before its repeal); or

(B) has been placed under the wardship or guardianship of the county office.

(b) Except as provided in subsection (d), a dependent child who is less than eighteen (18) years of age and is:

(1) not married; or

(2) married but not residing with or receiving support from a spouse;

is entitled to assistance under ~~AFDC~~ TANF only if the dependent child and any children of the dependent child reside with a parent, a legal guardian, or an adult relative other than a parent or legal guardian of the dependent child. A legal guardian or an adult relative not listed in section 1(a)(2)(A) of this chapter must have custody of the child under a court order.

(c) The assistance for an eligible dependent child and each child of an eligible dependent child as described in subsection (b) shall be provided to the dependent child's parent, legal guardian, or other adult relative based on the eligibility of the parent, legal guardian, or other adult relative to receive assistance under ~~AFDC~~ TANF.

(d) This subsection applies to the parent of:

(1) a dependent child who has never married and who:

(A) has a child; or

(B) is pregnant; and

(2) a dependent child who has never married and is adjudicated to be the father of a child.

The parent of a dependent child described in subdivision (1) or (2) is financially responsible for the care of a child of the dependent child until the dependent child becomes eighteen (18) years of age.

SECTION 14. IC 12-14-1-7 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: **Sec. 7. (a) A record that identifies an individual who has applied for, or is receiving, cash assistance or supportive services under the TANF program:**

**(1) is confidential; and**

**(2) is exempt from the disclosure requirements of IC 5-14-3-3.**

**(b) The division may use or disclose information concerning a**

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**TANF applicant or recipient only for purposes directly connected to the following:**

**(1) The administration, including establishing eligibility, determining the amount of assistance, and providing services for applicants and recipients, of a state plan or program approved under:**

- (A) Title I;**
- (B) Title IV-A;**
- (C) Title IV-B;**
- (D) Title IV-D;**
- (E) Title IV-E;**
- (F) Title X;**
- (G) Title XIV;**
- (H) Title XV;**
- (I) Title XVI;**
- (J) Title XIX;**
- (K) Title XX; or**
- (L) Title XXI;**

**of the federal Social Security Act.**

**(2) An investigation, a prosecution, or a civil or criminal proceeding conducted concerning the administration of the TANF program or a program described in subdivision (1).**

**(3) The administration of any federal, state, or township program that provides assistance or services to individuals on the basis of need.**

**(c) The division shall safeguard information, including the following:**

- (1) The name and address of an applicant or a recipient.**
- (2) Information concerning the economic and social conditions of an individual.**
- (3) The evaluation of information concerning an individual.**
- (4) Medical information.**

**SECTION 15. IC 12-14-2-5.1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 5.1. (a) Subject to section 5.2 of this chapter, for each parent or essential person, the a parent or an essential person may not receive payments under:**

- (1) section 5 of this chapter; or**
- (2) Medicaid under IC 12-15, when the sole basis for the person's Medicaid eligibility is based on the person's eligibility for AFDC assistance under this article;**

**if the person has received assistance under this article during the person's lifetime for twenty-four (24) months after June 30, 1995.**

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(b) This subsection does not apply to a dependent child who:

- (1) is alleged or adjudicated a child in need of services under IC 31-34 (or IC 31-6 before its repeal);
- (2) is placed under the wardship or guardianship of the county office;
- (3) is born as a result of incest, rape, or conduct that is a crime under IC 35-42-4-3; or
- (4) has a substantial physical or mental disability.

Beginning July 1, 1995, a person who is a dependent child may not receive assistance under this article for more than twenty-four (24) months as a dependent child:

(c) (b) Subject to

- (1) the time limits contained in subsection (a), and
- (2) section 5.4 of this chapter;

a person who qualifies for ~~AFDC TANF~~ under section 5 of this chapter remains categorically eligible to receive ~~AFDC TANF~~ assistance when the person becomes employed and the person's family's net earnings from employment calculated under ~~45 CFR 233.20~~, **rules adopted by the director of the division under IC 4-22-2**, in combination with other sources of family income, is greater than the amount of need recognized under section 5 of this chapter, but the family's gross income is less than one hundred percent (100%) of the federal income poverty level.

SECTION 16. IC 12-14-2-5.2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 5.2. (a) A person may earn credit for one (1) month of ~~AFDC TANF~~ assistance for each six (6) consecutive months the person is employed full time. However, credit may not be earned for employment completed before the date the person first applies for assistance under this article.

(b) To qualify for credit under subsection (a), a person must supply the county office with proof of the periods during which the person was employed.

(c) A person may not retain credit for more than twenty-four (24) months of ~~AFDC TANF~~ assistance under this article at any time.

(d) Credit earned by one (1) member of an assistance group under this section applies to all members of the assistance group.

(e) ~~Credit under subsection (a) may not be earned for transitional assistance described in section 22 of this chapter.~~

SECTION 17. IC 12-14-2-5.3, AS AMENDED BY P.L.145-2006, SECTION 79, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 5.3. (a) This section does not apply to a dependent child:

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- (1) described in section 5.1(b)(3) or 5.1(b)(4) of this chapter;
- (2) who is the firstborn of a child less than eighteen (18) years of age who is included in ~~an AFDC~~ a TANF assistance group when the child becomes a first time minor parent (including all children in the case of a multiple birth); or
- (3) who was conceived in a month the family was not receiving ~~AFDC~~ TANF assistance.

(b) Except as provided in subsection (c), after July 1, 1995, an additional payment (other than for medical expenses payable under IC 12-15) may not be made for a dependent child who is born more than ten (10) months after the date the family qualifies for assistance under this article.

(c) The division may adopt rules under IC 4-22-2 that authorize a voucher for goods and services related to child care that do not exceed one-half (1/2) of the assistance that a dependent child described in subsection (b) would otherwise receive under section 5 of this chapter.

(d) A dependent child described in subsection (b) is eligible for all child support enforcement services provided in IC 31-25.

(e) Families receiving ~~AFDC~~ TANF assistance are encouraged to receive family planning counseling.

SECTION 18. IC 12-14-2-9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 9. The division shall apply a percentage reduction of ninety percent (90%) to the total needs of ~~AFDC~~ TANF applicants and recipients in computing the ~~AFDC~~ TANF benefits payable.

SECTION 19. IC 12-14-2-17, AS AMENDED BY P.L.1-2005, SECTION 130, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 17. (a) To retain eligibility for ~~AFDC~~ TANF assistance under this article, a recipient of ~~AFDC~~ TANF assistance and a dependent child who is a recipient of ~~AFDC~~ TANF assistance must attend school if all of the following apply:

- (1) The recipient or the dependent child meets the compulsory attendance requirements under IC 20-33-2.
- (2) The recipient or the dependent child has not graduated from a high school or has not obtained a high school equivalency certificate (as defined in IC 12-14-5-2).
- (3) The recipient or the dependent child is not excused from attending school under IC 20-33-2-14 through IC 20-33-2-17.
- (4) The recipient or the dependent child does not have good cause for failing to attend school, as determined by rules adopted by the director under IC 4-22-2.
- (5) If the recipient or the dependent child is the mother of a child,

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a physician has not determined that the recipient or the dependent child should delay returning to school after giving birth.

(b) A recipient or the dependent child of a recipient described in subsection (a) who has more than three (3) unexcused absences during a school year is subject to revocation or suspension of assistance as provided in section 18 of this chapter.

(c) The director, in consultation with the department of education, shall adopt rules under IC 4-22-2 to establish a definition for the term "unexcused absence".

SECTION 20. IC 12-14-2-18 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 18. (a) A recipient or dependent child who fails to meet the requirements of section 17 of this chapter is subject to the revocation or suspension of assistance as provided under rules adopted by the division.

(b) ~~An AFDC~~ **A TANF recipient or applicant** who refuses to participate in an employment opportunity or a job training opportunity offered to the recipient **or applicant** under IC 12-8-12 is subject to sanctions established by the director under IC 12-8-12-6(2).

SECTION 21. IC 12-14-2-20 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 20. (a) This section does not apply to a person who voluntarily leaves an employer for any of the following reasons:

- (1) The person accepted previously secured permanent full-time work with another employer that offered reasonable expectation of higher wages or better working conditions.
- (2) The person left the employer due to a medically substantiated physical disability and is involuntarily unemployed after having made reasonable efforts to maintain the employment relationship.
- (3) The person left work to enter the armed forces of the United States.
- (4) The person's employment was terminated under the compulsory retirement provision of a collective bargaining agreement to which the employer is a party, or under any other plan, system, or program, public or private, providing for compulsory retirement.
- (5) The person voluntarily left the employer, and:
  - (A) the person's previous employment was outside the person's labor market;
  - (B) the person left to accept previously secured full-time work with an employer in the person's labor market; and
  - (C) the person actually became employed with the employer in the person's labor market within the area surrounding the

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person's permanent residence, outside which the person cannot reasonably commute on a daily basis. In determining whether a person can reasonably commute under this clause, the division shall consider the nature of the person's job.

(6) The person was laid off by the employer.

(b) A person who applies for ~~AFDC~~ TANF assistance under this article and:

(1) voluntarily leaves the person's most recent employer:

(A) within six (6) months before applying for ~~AFDC~~; TANF;  
or

(B) at any time after becoming a recipient of ~~AFDC~~ TANF under this chapter; or

(2) voluntarily reduces the number of hours the person works in order to qualify for or retain eligibility for assistance under this article;

is ineligible to receive assistance under IC 12-14 for six (6) months after leaving the person's employer or reducing the person's hours.

~~(c) A person who is ineligible to receive assistance under subsection (b) is also ineligible to receive Medicaid assistance under IC 12-15 if the sole basis for the person's Medicaid eligibility is based on the person's eligibility for AFDC assistance under this article.~~

SECTION 22. IC 12-14-2-21 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 21. (a) ~~An AFDC A~~ TANF recipient or the parent or essential person of ~~an AFDC a~~ TANF recipient, if the ~~AFDC TANF~~ recipient is less than eighteen (18) years of age, must sign a personal responsibility agreement to do the following:

(1) Develop an individual self-sufficiency plan with other family members and a caseworker.

(2) Accept any reasonable employment as soon as it becomes available.

(3) Agree to a loss of assistance, including ~~AFDC TANF~~ assistance under this article, ~~Medicaid assistance under IC 12-15 if the sole basis for the person's Medicaid eligibility is based on the person's eligibility for AFDC assistance under this article; and food stamps; if convicted of an offense a felony under IC 35-43-5-7 or IC 35-43-5-7.1 for the following periods:~~

(A) ~~If the conviction is for a misdemeanor, the person is not eligible to receive assistance as described under this subdivision for one (1) year after the conviction.~~

(B) ~~If the conviction is for a felony, the person is not eligible to receive assistance as described under this subdivision for~~

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ten (10) years after the conviction.

(4) Subject to section 5.3 of this chapter, understand that additional ~~AFDC TANF~~ assistance under this article will not be available for a child born more than ten (10) months after the person qualifies for assistance.

(5) Accept responsibility for ensuring that each child of the person receives all appropriate vaccinations against disease at an appropriate age.

(6) If the person is less than eighteen (18) years of age and is a parent, live with the person's parents, legal guardian, or an adult relative other than a parent or legal guardian in order to receive public assistance.

(7) Subject to IC 12-8-1-12 and ~~sections~~ **section 5.1 and 22** of this chapter, agree to accept assistance for not more than twenty-four (24) months under

(A) the ~~AFDC TANF~~ program (IC 12-14). and

(B) the Medicaid program (IC 12-15); if the sole basis for the person's Medicaid eligibility is based on the person's eligibility for ~~AFDC~~ assistance under this article.

(8) Be available for and actively seek and maintain employment.

(9) Participate in any training program required by the division.

(10) Accept responsibility for ensuring that the person and each child of the person attend school until the person and each child of the person ~~graduates~~ **graduate** from high school or attain a high school equivalency certificate (as defined in IC 12-14-5-2).

(11) Raise the person's children in a safe, secure home.

(12) Agree not to abuse illegal drugs or other substances that would interfere with the person's ability to attain self-sufficiency.

(b) Except as provided in subsection (c), assistance under the ~~AFDC TANF~~ program and Medicaid assistance under ~~IC 12-15~~ (if the sole basis for the person's Medicaid eligibility is based on the person's eligibility for ~~AFDC~~ assistance under this article) shall be withheld or denied to a person who does not fulfill the requirements of the personal responsibility agreement under subsection (a).

(c) A person who is granted an exemption under section 23 of this chapter may be excused from specific provisions of the personal responsibility agreement as determined by the director.

SECTION 23. IC 12-14-2-24 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 24. (a) A dependent child and a parent or an essential person are not eligible for ~~AFDC TANF~~ assistance under this chapter unless the mother of the dependent child:

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- (1) initiates a court proceeding to establish paternity, other than an adoption proceeding, except as provided in IC 31-14-20-2;
- (2) executes a paternity affidavit under IC 16-37-2-2.1; or
- (3) requests, at the time of application or renewal, that the Title IV-D agency or its agents file a paternity action under IC 31-14-4-3.

(b) A person applying for assistance under this chapter is not required to comply with subsection (a) if:

- (1) the father of the dependent child has been charged with an act of rape, incest, or child molesting that occurred against the dependent child's mother within ten (10) months before the birth of the dependent child;
- (2) the mother of the dependent child is deceased;
- (3) the division determines under rules adopted by the division under IC 4-22-2 that the mother of the dependent child could not know the identity of the child's father; or
- (4) the mother of the dependent child provides proof, and the division agrees, that the physical health or safety of the mother or the dependent child would be jeopardized if the mother complies with subsection (a).

(c) If a dependent child's mother is a party to a paternity action filed under IC 31-14 (or IC 31-6-6.1 before its repeal), a county office shall revoke assistance under this chapter if the mother fails to pursue the paternity action.

(d) The office may not delay payments otherwise owing to a provider if the mother fails to comply with this section.

SECTION 24. IC 12-14-2-25 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 25. (a) When a person applies for assistance under this chapter, the county office shall determine whether the person has received assistance under the ~~AFDC~~ TANF program from another state within the past three (3) years.

(b) The county office shall require each applicant to provide proof of all addresses used by the applicant and each member of the applicant's immediate family during the three (3) years before completing the application.

(c) The county office shall contact the agency administering ~~AFDC~~ TANF in any state where the applicant alleges to have lived within the past three (3) years to determine if the applicant has received assistance under the ~~AFDC~~ TANF program in that state.

(d) Each month of assistance the applicant has received under the ~~AFDC~~ TANF program from another state within the past three (3) years counts as one (1) month against the person's lifetime eligibility

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for assistance in Indiana as determined under section 5.1 of this chapter.

(e) Each county office shall provide information to another state regarding assistance provided to a person in Indiana if the other state has, or is willing to provide, similar information as needed to the county office.

SECTION 25. IC 12-14-2.5-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 1. A person who:

- (1) ~~is classified as a refugee (as defined in 8 U.S.C. 1101) is eligible for all services under this article as if the person were~~ classified as not a citizen of the United States;
- (2) **is a qualified alien, as defined in 8 U.S.C. 1641(b); and**
- (3) **meets all other eligibility criteria under this chapter;**

**is eligible for the TANF program, subject to 8 U.S.C. 1612 and 8 U.S.C. 1613.**

SECTION 26. IC 12-14-2.5-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 3. A person who is in the United States without permission of the ~~Immigration and Naturalization Service~~ **United States Citizenship and Immigration Services** is not entitled to receive any assistance under this article.

SECTION 27. IC 12-14-2.5-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 4. A child who:

- (1) is born in the United States to a person described in section ~~2~~ **1** or 3 of this chapter; and
- (2) otherwise meets the requirements for eligibility under this article;

is eligible to receive assistance under this article.

SECTION 28. IC 12-14-3-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 1. When assistance is granted to a dependent child under IC 12-14-1 through IC 12-14-9.5, the award made must be entered on a ~~certificate~~ **written notice** prescribed by the division that designates the following:

- (1) The name and residence of the recipient.
- (2) The amount of the award.
- (3) The date when the assistance is to begin.
- (4) Any other fact required by the division.

SECTION 29. IC 12-14-5-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 1. Sections 1 through 5 of this chapter apply to an individual who is:

- (1) less than eighteen (18) years of age and not enrolled in an educational or a vocational training program; or
- (2) a parent of a dependent child who has not graduated from high

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school or earned a:

- (A) high school equivalency certificate; or
- (B) state of Indiana general educational development (GED) diploma;

and is a member of a family that receives ~~AFDC~~ TANF.

SECTION 30. IC 12-14-5.5-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 1. The division shall implement a program to require a person receiving assistance under the ~~AFDC~~ TANF program or under IC 12-15 (if the sole basis for the person's Medicaid eligibility is based on the person's eligibility for ~~AFDC~~ under this article) and who is:

- (1) at least eighteen (18) years of age; or
- (2) less than eighteen (18) years of age and the parent of a dependent child;

to engage in public service in exchange for assistance under these programs.

SECTION 31. IC 12-14-5.5-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 5. A person required to engage in public service under this chapter who refuses to engage in public service is not entitled to receive assistance under the ~~AFDC~~ TANF program, and under IC 12-15 (if the sole basis for the person's Medicaid eligibility is based on the person's eligibility for ~~AFDC~~ assistance under this article):

SECTION 32. IC 12-14-28-3.3 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 3.3. (a) An individual who:

- (1) except for 21 U.S.C. 862a(a), meets the federal and Indiana TANF program eligibility requirements;
- (2) has been convicted of an offense under federal or state law that:

- (A) is classified as a felony;
- (B) has as an element the possession or use of a controlled substance (as defined in 21 U.S.C. 802(6)); and
- (C) does not have as an element the distribution or manufacturing of a controlled substance (as defined in 21 U.S.C. 802(6)); and

- (3) either has completed or is participating in substance abuse or mental health treatment provided by:

- (A) an addiction services provider certified by the division of mental health and addiction;
- (B) a mental health provider (as defined in IC 16-36-1.5-2);
- (C) the department of correction;

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**(D) the federal government; or**

**(E) a faith based program certified by the division of mental health and addiction;**

**is eligible to receive assistance under this chapter for not more than twelve (12) months.**

**(b) For purposes of eligibility for assistance under this chapter, a court may order an individual described in subsection (a) to participate in substance abuse or mental health treatment under this section.**

**(c) The department of correction shall assist an individual who:**

**(1) is incarcerated by the department of correction; and**

**(2) will be eligible for assistance under this chapter upon:**

**(A) release to parole;**

**(B) assignment to a community transition program; or**

**(C) discharge from the department of correction;**

**with applying for assistance under this chapter as described in IC 11-10-12-5.**

**(d) An individual who is receiving TANF under this section must be tested not less than one (1) time every two (2) months for drugs at a time chosen by the provider of the substance abuse or mental health treatment the individual completed or is participating in under this section. Nothing in this section shall prevent the provider from testing for drugs more frequently if more frequent testing is part of the program operated by the provider.**

**SECTION 33. IC 12-14-28-3.8 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 3.8. In accordance with 21 U.S.C. 862a(d)(1), the state elects to opt out of the application of 21 U.S.C. 862a(a) for an individual who has completed or is participating in a substance abuse or mental health treatment program described in section 3.3(a)(3) of this chapter.**

**SECTION 34. IC 12-15-2-0.5, AS AMENDED BY SEA 94-2007, SECTION 96, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 0.5. (a) This section applies to a person who qualifies for assistance:**

**(1) under sections 13 through 16 of this chapter;**

**(2) under section 6 of this chapter when the person becomes ineligible for medical assistance under IC 12-14-2-5.1 or IC 12-14-2-5.3; or**

**(3) as an individual with a disability if the person is less than eighteen (18) years of age and otherwise qualifies for assistance.**

**(b) Notwithstanding any other law, the following may not be**

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construed to limit health care assistance to a person described in subsection (a):

- (1) IC 12-8-1-13.
- (2) IC 12-14-1-1.
- (3) IC 12-14-1-1.5.
- (4) IC 12-14-2-5.1.
- (5) IC 12-14-2-5.2.
- (6) IC 12-14-2-5.3.
- (7) IC 12-14-2-17.
- (8) IC 12-14-2-18.
- (9) IC 12-14-2-20.
- (10) IC 12-14-2-21.
- ~~(11) IC 12-14-2-22.~~
- ~~(12)~~ (11) IC 12-14-2-24.
- ~~(13)~~ (12) IC 12-14-2-25.
- ~~(14)~~ (13) IC 12-14-2-26.
- ~~(15)~~ (14) IC 12-14-2.5.
- ~~(16)~~ (15) IC 12-14-5.5.
- ~~(17)~~ (16) Section 21 of this chapter.
- ~~(18)~~ (17) IC 12-15-5-3.

SECTION 35. IC 12-15-2-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 7. A child in a family who receives ~~AFDC TANF~~ assistance and is less than twenty-one (21) years of age but not otherwise eligible to be included in section 2 or 3 of this chapter is eligible to receive Medicaid.

SECTION 36. IC 12-15-2.5-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 2. A person who is a lawful permanent resident is eligible for

- ~~(1)~~ Medicaid assistance under this article for a period of one (1) year. ~~and~~
- ~~(2) one (1) year of transitional benefits under IC 12-14-2-22.~~

SECTION 37. IC 12-15-4-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 2. An individual who is receiving monthly assistance payments in the ~~AFDC TANF~~ category is not required to make an application for Medicaid.

SECTION 38. IC 12-19-7-6, AS AMENDED BY P.L.234-2005, SECTION 58, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 6. (a) The department, upon the advice of the judges of the courts with juvenile jurisdiction in the county and after consulting with the division of family resources, shall annually compile and adopt a child services budget, which must be in a form prescribed by the state board of accounts.



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(b) The budget must contain an estimate of the amount of money that will be needed by the department during the ensuing year to defray the expenses and obligations incurred by the department in the payment of services for children adjudicated to be children in need of services or delinquent children and other related services, but not including the payment of ~~AFDC~~ **TANF**.

SECTION 39. IC 29-1-14-9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 9. (a) All claims shall be classified in one (1) of the following classes. If the applicable assets of the estate are insufficient to pay all claims in full, the personal representative shall make payment in the following order:

- (1) Costs and expenses of administration.
- (2) Reasonable funeral expenses. However, in any estate in which the decedent was a recipient of public assistance under IC 12-1-1 through IC 12-1-12 (before its repeal) or any of the following, the amount of funeral expenses having priority over any claim for the recovery of public assistance shall not exceed the limitations provided for under IC 12-14-6, IC 12-14-17, and IC 12-14-21:
  - ~~AFDC~~ **TANF** assistance.
  - ~~AFDC~~ **TANF** burials.
  - ~~AFDC~~ **TANF** IMPACT/J.O.B.S.
  - ~~AFDC-UP~~ **Temporary Assistance to Other Needy Families (TAONF)** assistance.
  - ARCH.
  - Blind relief.
  - Child care.
  - Child welfare adoption assistance.
  - Child welfare adoption opportunities.
  - Child welfare assistance.
  - Child welfare child care improvement.
  - Child welfare child abuse.
  - Child welfare child abuse and neglect prevention.
  - Child welfare children's victim advocacy program.
  - Child welfare foster care assistance.
  - Child welfare independent living.
  - Child welfare medical assistance to wards.
  - Child welfare program review action group (PRAG).
  - Child welfare special needs adoption.
  - Food Stamp administration.
  - Health care for indigent (HCI).
  - ICES.
  - IMPACT (food stamps).

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Title IV-D (ICETS).  
 Title IV-D child support administration.  
 Title IV-D child support enforcement (parent locator).  
 Medicaid assistance.  
 Medical services for inmates and patients (590).  
 Room and board assistance (RBA).  
 Refugee social service.  
 Refugee resettlement.  
 Repatriated citizens.  
 SSI burials and disabled examinations.  
 Title XIX certification.

(3) Allowances made under IC 29-1-4-1.

(4) All debts and taxes having preference under the laws of the United States.

(5) Reasonable and necessary medical expenses of the last sickness of the decedent, including compensation of persons attending him.

(6) All debts and taxes having preference under the laws of this state; but no personal representative shall be required to pay any taxes on any property of the decedent unless such taxes are due and payable before possession thereof is delivered by the personal representative pursuant to the provisions of IC 29-1.

(7) All other claims allowed.

(b) No preference shall be given in the payment of any claim over any other claim of the same class, nor shall a claim due and payable be entitled to a preference over claims not due.

SECTION 40. THE FOLLOWING ARE REPEALED [EFFECTIVE JULY 1, 2007]: IC 12-14-2-5.4; IC 12-14-2-7; IC 12-14-2-8; IC 12-14-2-10; IC 12-14-2-22; IC 12-14-2.5-2; IC 12-14-3-2; IC 12-14-3-3; IC 12-14-3-4; IC 12-14-4; IC 12-14-9.5-3; IC 12-15-5-3.

SECTION 41. [EFFECTIVE JULY 1, 2007] (a) **The auditor of state and the budget agency shall change the name of any account that refers to the Aid to Families with Dependent Children (AFDC) program to the Temporary Assistance for Needy Families (TANF) program.**

(b) **The auditor of state and the budget agency shall make any other changes necessary to meet the requirements of subsection (a).**

(c) **This SECTION expires December 31, 2008.**

SECTION 42. [EFFECTIVE UPON PASSAGE] (a) **As used in this SECTION, "office of the secretary" refers to the office of the secretary of family and social services established by IC 12-8-1-1.**

(b) **As used in this SECTION, "government assistance income"**

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means the sum of the value of all:

- (1) cash;
- (2) free services; or
- (3) savings from reduced fees;

that an Indiana resident with an income at or below two hundred percent (200%) of the federal poverty income level receives.

(c) Before December 31, 2007, the office of the secretary shall study the following:

(1) The tax relief available for Indiana residents with incomes under the federal poverty income level.

(2) The availability of programs that provide financial or medical assistance to low income Indiana residents with incomes under the federal poverty income level, including:

- (A) Medicaid;
- (B) Temporary Assistance for Needy Families;
- (C) food stamps; or
- (D) any other federal, state, or local financial or medical assistance available to Indiana residents whose income is at or below two hundred percent (200%) of the federal poverty income level.

(3) The maximum government assistance income an individual could receive by pursuing and obtaining the benefits described in subdivisions (1) and (2).

(d) The office of the secretary shall submit a report of its findings not later than December 31, 2007, to the governor and the legislative council. The report must be in an electronic format under IC 5-14-6. The report must include a detailed explanation of the calculation assumptions and methodology.

(e) This SECTION expires January 1, 2008.

SECTION 43. An emergency is declared for this act.

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President of the Senate

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President Pro Tempore

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Speaker of the House of Representatives

\_\_\_\_\_  
Governor of the State of Indiana

Date: \_\_\_\_\_ Time: \_\_\_\_\_

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